

or other moveable property from such companies or persons and generally to make any agreement or agreements with any other company touching the use by one or the other or by both companies of the railway or rolling stock of either or both, or any part thereof, or touching any service to be rendered by the one company to the other, and the compensation therefor, and any such agreement shall be valid and binding according to the terms and tenor thereof, provided that the assent of at least two-thirds of the shareholders shall be first obtained at a general special meeting to be called for the purpose, according to the by-laws of the company and the provisions of this Act, and the company or companies leasing or entering into agreement for using the said line may and are hereby authorized to work the said railway in the same manner and in all respects as if incorporated with its own line."

I have set out these clauses in these Acts in full, as it is on them that the defendants rely to sustain the agreement which is attacked by the plaintiff. It is said, on the part of the plaintiff, that the agreement is invalid, (1) as it creates a monopoly, (2) as it makes an unauthorized amalgamation between these companies, (3) as it forms a partnership between them, (4) as it casts upon a company all the powers and functions of the railways and their Boards, (5) as it makes the companies jointly responsible for the acts of each, (6) as the powers, under which it is claimed the agreement is made, do not apply to competing lines, as are those in question. These grounds, adduced on the argument of the case, form a wider cause of attack than is presented by the bill, which simply alleges that "negotiations have lately taken place between the two companies for the purposes of combining the rolling stock, plant and material of the said two companies, and of working and operating both the said railway lines, and exercising the franchises thereof under the joint management of both companies for a period of twenty-one years; and the defendants intend immediately to enter into an agreement for that purpose, and will, unless restrained by the order and injunction of the Honorable Court, carry the said intended agreement into effect." The objection here taken is to the "combining the rolling stock, plant, &c," and to the "working and operating both the said railway lines and exercising the functions thereof, under the joint management of both companies." By clause one of this agreement it is agreed that "the working of the railways shall be carried on upon the terms and conditions, and according to the tenor of this agreement,